

EFFECTS OF SUPPLIER SELECTION PRACTICES ON SERVICE DELIVERY IN WEST POKOT COUNTY GOVERNMENT

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ABSTRACT

Supplier selection has become one of the elementary roles of supply chain managers since it virtually affects an organization's competitiveness. Organizations today perform carry out evaluation, selection and continuous measurement of suppliers. Increasingly, firms are allocating more resources to their core competencies, and encouraging the outsourcing of non-core activities, which increases their reliance and dependence on suppliers. This increases the importance of effective supplier selection and assessment. In spite of this little is known on supplier selection criteria and its relationship to service delivery in the public service. This study sought to find out what supplier selection practices are used by Public Institutions in West Pokot County in selection of their key suppliers, and the relationship between supplier selection practices and public service delivery. The target population for the study was 50 Public Servants working in West Pokot County Government composed of 10 executive officers, 10 directors and 30 employees and 100 suppliers. The study used purposive sampling technique where 120 respondents representing the target population filled in the questionnaire. The data collected will be analyzed using mean scores, factor analysis, regression analysis and multiple correlations. Data was collected from the field through use of questionnaires and then analyzed using SPSS version 20 and Excel

INTRODUCTION

Supplier selection is defined by Lysons and Farrington (2006) as the process by which firms identify, evaluate, and contract with suppliers. The supplier selection process deploys a

and presented in tables and figures. The primary data was collected through use of questionnaires. A five Point Likert scale that measures the level of agreement or disagreement with selection practices was adopted. The study revealed that majority of the respondents were in agreement with the selection criteria adopted at West Pokot County. The study also revealed that among the numerous practices adopted, cost based selection criteria, quality and selection principles were the most important. Additionally, the findings also revealed that there was a significant relationship between supplier selection practices and service delivery as the independent variables: supplier selection methods, supplier selection criteria and principles of supplier selection were statistically significant at the 95% confidence i.e. $p\text{-value} < 0.05$. Based on the findings the study recommends that policy makers, need to pay closer attention to adoption of technology and consideration for the disadvantaged groups in its supplier selection processes which registered the lowest mean compared to other selection criteria. The role of technology in improvement of procurement performance helps in providing real time information and reducing lead time and enhanced service delivery.

Key Words: *Prequalification, Procurement Methods, Post Qualification and Preferential Selection of Suppliers, Service Delivery*

tremendous amount of a firm's financial resources. The typical steps of supplier selection processes may include identifying suppliers, soliciting information from suppliers, setting contract terms, negotiating with suppliers, and evaluating suppliers. The process varies from organization to organization. It includes; running credit reports, Interviewing management, Testing products, Touring facilities/market surveys, Use of tenders, Use of quotations, Preferential awards, however, the process is not always done in order of importance but rather in order of expense (Lysons & Farrington, 2006).

Supplier selection is one of the classic areas of research in supply chain management. In fact, past reviews of literature in supplier selection indicate a strong diversity in the systemic approaches in supplier selection methodology as well as in supplier selection criteria (Ho et al., 2010). Traditionally, vendors are selected from among many suppliers on their ability to meet the quality requirements, delivery schedule, and the price offered. The main purchasing objective was to obtain the lowest possible price by creating strong competition between suppliers, and negotiating with them.

Globalized operations, increased competitive pressures, concentration on core competencies and the resulting outsourcing trend – all of these developments have led to many companies spending over 70% of their revenues on the purchase of external good or services. This strongly enhances the status of the procurement department as the direct link to the supply markets and needs to find suitable suppliers that support the company's operations or contribute to competitive end-products. With the increased reliance on external resources, the capabilities of a company's suppliers' become critical success. Moreover, the function is usually a key player in the decision of whether a product or service should be produced in-house or is sourced externally (Make-or-buy) The strategic importance of the procurement function can also be pictured in the light of the above mentioned strategic business challenges (Monezka & Handfield, 2012).

STATEMENT OF THE PROBLEM

Beil and Ross (2009) argue that poor supplier selection criteria can cost the firm millions of loses due to poor contract discharge, non-delivery of services, and associated inventory adjustments, and have inflicted untold damage on their reputations and future sales potential. To avoid such dire consequences, it is paramount to have effective screening processes that help to identify top notch suppliers before awarding of contracts. Stormy (2005) argues that from the onset it is important to note that the background and traditions of the supplier are assessed and blend with the clients "three Ps" — personnel, policies and procedures — otherwise if the supplier firm and the client don't walk and talk the same language, the relationship is destined for failure. Odhiambo and Kamau (2011) noted that Compliance levels in procurement were low in public entities in Kenya compared to South Africa despite efforts by the PPOA to put in place measures to improve compliance.

Eyaa and Oluka (2011) quoting the Public Procurement Disposable Act (PPDA) Capacity Building Strategy Report (2011-2014) revealed that the overall compliance areas where both National and Local Government as well as Procurement and Disposal Entities (PDEs) in developing countries scored lowest were in record keeping, contract award and contract management thus negatively impacting on procurement performance. Furthermore, Mutava (2012) observed that despite landmark reforms following the enactment of the PPDA 2005 whose objective among others was to promote competition and to ensure that competitors are treated fairly, recent reports have established that procurement malpractices during supplier selection like overpricing (buying at inflated prices), unstructured authorization of expenditure levels and lack of fairness and transparency amongst bidders are still rampant leaving the masses decrying poor service delivery. Kariuki (2013) asserts that the obligation for invitation to tender requires procuring entities to uphold transparency of the procedures used in awarding contracts however, supplier canvassing, favoritism and corruption is rampant in Kenya's public procurement (Anyona, 2011).

Ntayi (2009) observes that millions of dollars gets wasted due to inefficient and ineffective procurement structures, policies and procedures as well as failure to impose sanctions for violation of procurement rules thus resulting in poor service delivery. Interestingly, most empirical studies in Kenya vaguely mention supplier selection criteria as a sub function of procurement procedures but don't discuss it into massive detail. Ngugi and Mugo (2007) in their study on internal factors affecting procurement process of supplies in the public sector found that high amounts of discretion without adequate controls can create opportunities for corruption. Eyaa and Oluka (2011) in their study on explaining non-compliance in public procurement in Uganda found that public entities should work together to improve on the familiarity of staff with public procurement procedures so as to enhance procurement performance. Notably, the findings did not mention how suppliers of public entities can enhance service delivery in counties. Also, local studies have not focused on the impact of supplier selection criteria in enhancing procurement performance and service delivery in county governments. It is against this background that the study seeks to examine how supplier selection practices will improve service delivery within West Pokot County.

OBJECTIVES OF STUDY

The main objective of the study was to establish the effect of supplier selection practices on service delivery in West Pokot County.

SPECIFIC OBJECTIVES

1. To determine the effect of supplier prequalification on service delivery in West Pokot County
2. To examine the effect of various procurement methods on service delivery in West Pokot County

3. To determine the effect of supplier post qualification on service delivery in West Pokot County
4. To examine the effect of preferential supplier selection on service delivery in West Pokot County

THEORETICAL REVIEW

The study was guided by Cox theory, Transactional cost theory, Resource based view theory, and Bensaou theory. The analysis of the theories linked the theories to the study and brought out research gaps.

Cox Theory

Tran & Lau (2013) argues that firms are increasingly entering into long-term, high dependency exchanges as a result of: increased demand for quality goods, demand for variability of goods, demand for constant innovation, severe price competition and increasing technology costs. Matevž & Maja (2013) established that these changes are forcing firms to enter into complex relationships with other firms in order to remain competitive. Examples of such relationships are: relational contracting, network organizations, strategic alliances and horizontal co-operation. Morrison & Wilhelm (2015) established that the increase in number and complexity of these exchanges in an environment is characterized by uncertainty that has led to the increased interest in the use of obligation contracting.

Gelderman, Caniëls, & Fleuren (2011) found out that the diffusion of voice strategy in building relationships allows automakers opportunities to earn greater rents through access to complementary skills and knowledge and hence changes the cost-benefit calculus of the transaction cost -perspective in the case of a stream of potentially appropriable quasi-rents. Rašković, Brenčić, Fransoo, & Mörec (2012) established that business networks, supply chains (networks) and buyer-supplier relationships are all types of business relationships “ranging from a web of connections to a dyadic relationship” with often blurred boundaries.

Transactional Cost Theory

Greenwood & Scharfstein (2013) contends that without taking into account transaction costs as it is impossible to understand properly the working of the economic system and have a sound basis for establishing economic policy. Hart & Dwivedi (2010) avers that three key concepts are those of transaction costs, asset specificity, and asymmetrical information distribution. Beard, Sadri, Kangari, Augenbroe, Anumba & Roper (2011) avers that transaction costs are: (a) search and information costs, (b) bargaining and decision costs, and (c) policing and enforcement costs. Beard et al., (2011) avers that this can be decomposed further into four separate costs related to transacting: (a) search costs, (b) contracting costs, (c) monitoring costs, and (d) enforcement

costs. Search costs include the costs of gathering information to identify and evaluate potential trading partners.

Resource Based View Theory

Krippendorff (2014) posits that resource-based view (RBV) has since become one of the dominant contemporary approaches to the analysis of sustained competitive advantage. A central premise of the resource-based view is that firms compete on the basis of their resources and capabilities. Srivastava, Franklin, & Martinette (2013) found out that most resource-based view researchers choose to “look within the enterprise and down to the factor market conditions that the enterprise must contend with, to search for some possible causes of sustainable competitive advantages” holding constant all external environmental factors. Galvin, Rice, & Liao (2014) posits that a firm’s resource must, in addition, be valuable, rare, and imperfectly imitable and substitutable in order to be a source of a sustained competitive advantage.. Kozlenkova, Samaha & Palmatier (2013) asserts that there are three basic distinctive capabilities; (a) corporate architecture (b) innovation (c) Reputation.

Rašković et al., (2012) identifies the following propositions on distinctive capabilities, (a) Arm’s length relationships, which are associated with low asset specificity and low supplier competencies that can easily be bought off the shelf as there are many potential suppliers, (b) internal contracts, which is an in-house provision associated with high asset specificity and core competencies, (c) partnership relationships, which applies to assets of medium specificity and ascend in steps according to the distance of the complementary competencies provided by external suppliers from the core competencies of a particular firm. Karjalainea et al., (2013) posits that the issue of firm performance has been central in strategy research for decades and encompasses most other questions that have been raised in the field, as for instance, why firms differ, how they behave, how they choose strategies and how they are managed.

Bensaou Theory

Hadi, Abdullah & Sajilan (2015) aver that there are two kinds of successful relationships: high requirements in combination with high capabilities and low requirements in combination with low capabilities. Caniels et al., (2010) provides the kinds of unsuccessful relationships are characterized by under-designed relationships and overdesigned relationships. This is explained by an overdesigned relationship, which is if a firm heavily invests in building trust when the product and market calls for a simple, impersonal control and data-exchange mechanism.

CONCEPTUAL FRAMEWORK

Independent Variables

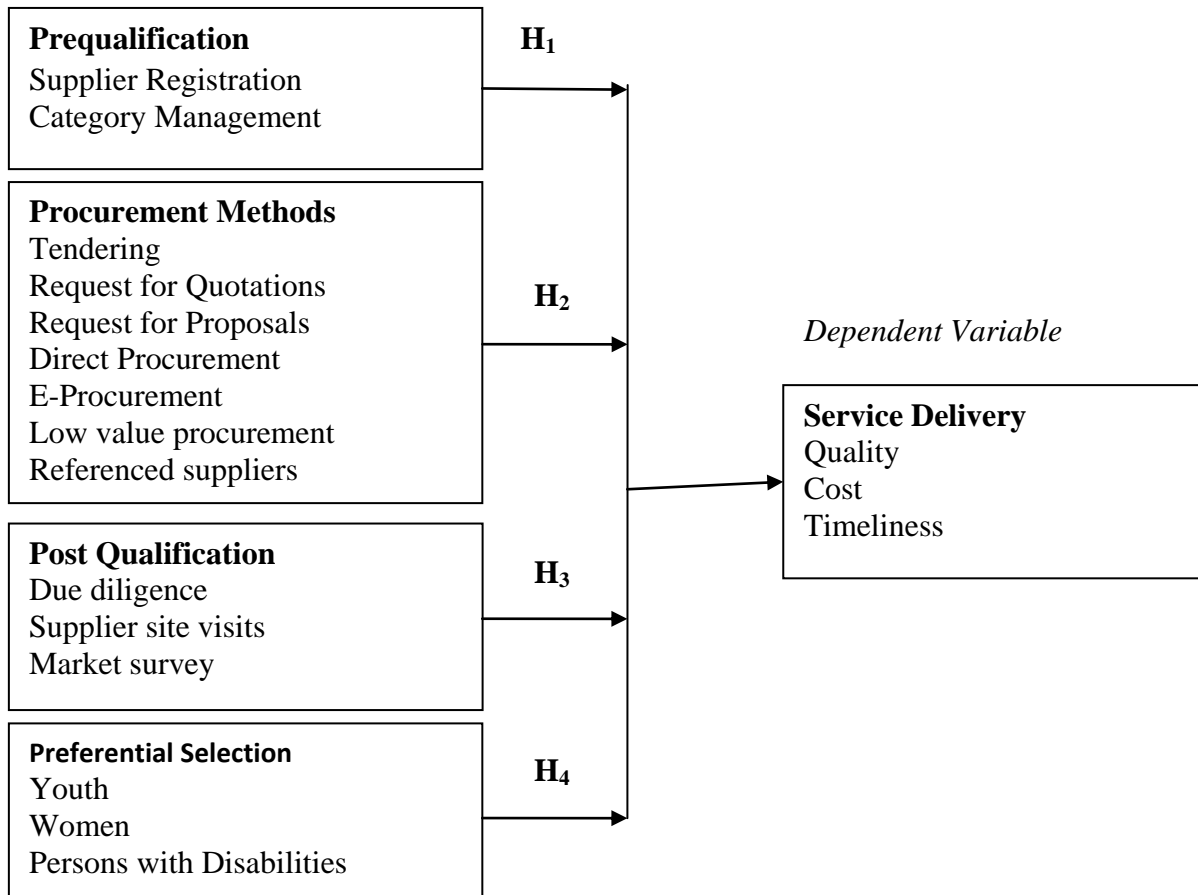


Figure 1: Conceptual Framework

EMPIRICAL REVIEW

Previous empirical studies show that from empirical front, comprehensive efforts have been made to develop decision methods and techniques for supplier selection. Weber et al (1991) reviewed and classified 74 articles that appeared since 1966 with regard to particular criteria used in supplier selection (Mendoza, 2007). In these papers what comes out as the major supplier selection determinants include price, delivery, quality, and production capacity and location. Holt (2000) presented a review of contractor evaluation and supplier section methodologies such as multi-attribute analysis, multi-attribute utility theory, and cluster analysis where he discussed applications of each of these techniques. Degraeve et al (2000) uses the Total Cost of Ownership (TCO) as the framework for comparing supplier selection models.

A study on the importance of supplier selection and assessment criteria of American manufacturing companies for items to be used in products already in production by Weber, Current, & Benton (1991) illustrated that soft, non-quantifiable selection criteria, such as a supplier's strategic commitment to a buyer, have a greater impact on performance than hard, more quantifiable criteria such as supplier capability, yet are considered to be less important. They further illustrated that assessment of a supplier's willingness and ability to share information also has a significant impact on the buying firm's performance, yet is again considered to be relatively unimportant.

In his study, Schiele (2007) established that extensive supplier audits significantly influence a firm's performance level. The results showed a highly significant relationship between purchasing's maturity level and cost-reduction results. Somewhat counter-intuitively, larger saving potential was identified in more developed firms. According to the study, if an organization's maturity is too low, the introduction of best practices, such as an innovative cost-reduction method, may fail.

A survey on public procurement in Kenya by the OECD (2007) found that overall; the performance of public procurement was 66% when using the BLI sub indicators. The results established that Kenya's regulatory and administrative framework was overly strong, compared to other aspects including transparency and integrity, management capacity and institutional framework, and market practices and procurement operations. While Kenya had a score above the threshold of 1.5 out of 3, there is still much room for improvement, especially on market practices and procurement operations.

State Corporations are organizations where the government owns more than 50 percent of the share capital, thereby making it the single largest shareholder. According to the Report of the Presidential Taskforce on Parastatal Reforms (2013), a State Corporation shall be an entity howsoever incorporated that is solely or majority owned by the government or its agents for commercial purposes. The taskforce report cautions that a commercial function is one governed by a competitive profit driven market and can be performed commercially although Parastatals can also serve strategic socio-economic purposes as may be defined by the President from time to time.

The PPDA of 2005 stipulates the guidelines to be followed by public institutions in the procurement process. In their individual, capacities, organizations develop procedures and regulations to be followed in the acquisition of materials. An effective and efficient procurement process ensures that materials are sourced and availed when required without delays. It checks against the costs of stock-outs and ensures that materials are acquired competitively and at reasonable costs. There exist glaring disparities on the overall execution of the procurement process between the private sector and public sector institutions (Johnson, Leenders, & Flynn, 2011).

Aseka (2010) did a study on supplier selection criteria and performance of manufacturing firms listed in the Nairobi Stock Exchange. The study found a positive relation between effective supplier selection and organization performance. It illustrated that, firms considered quantitative factors such as the suppliers' technical expertise, commitment to quality and ability to meet delivery due dates in supplier selection than qualitative factors such as suppliers' willingness to share confidential information.

In their study, Mwikali and Kavale (2012) seeking to identify the factors affecting supplier selection illustrated that; cost, technical capability, quality assessment, organizational profile, service levels, supplier profile and risk factors are the major factors affecting selection of suppliers. Their study concluded that a cost criterion is a key factor affecting supplier selection for it dictates among many elements, the profit margins. Technical capability, quality of materials and the profile of the supplier are also closely considered.

In a study conducted by Masiko (2013), strategic procurement practices contributed to increased performance of procurement in Commercial Banks. The practices mainly included; clear goal identification and setting measurable objectives, development of strategies and tactics, supplier relationship management plan, measurement plan, category management and spend management plans and technology utilization. Procurement is increasingly becoming one of the critical and strategic functions of every organization with the potential to contribute positively to the success of operations leading to reliable service delivery and 23 competitiveness. Strategic procurement indeed sets in motion the entire acquisition/ procurement process of all the purchases by the commercial banks.

A study done by Kamenya (2014) on the relationship between supplier evaluation and performance in large food and beverage manufacturing firms in Nairobi revealed that there is a positive relationship between performance and supplier evaluation criteria. The study illustrated that organizations need to consider the environmental friendliness of the supplier, employee capabilities of the supplier and price factors which are significantly influencing performance of the procurement. Other factors including financial stability, quality issues, and supplier's organizational culture, production capacity of the supplier and preference and reservation were found to have no significant effect on performance.

According to Barsemoi, Mwangagi and Asienyo (2014), some of the factors that contribute towards procurement performance in Kenya's private sector include staff competence, organizational structures that allow for open decision making, quality management systems and the use of information technology not only to ensure dissemination of information but also the accuracy of information reaching to all stakeholders. The authors observe that the use of IT in relaying information ensures that all suppliers get access and this reduces information asymmetry. The participation of many suppliers consequently raises the levels of competition and quality resulting in the best value of sourced materials to private sector companies. While the

PPDA of 2005 has been in operation since 2007, Kenya's public institutions have been riddled with corruption resulting in many court cases and cancellation of contracts due to allegations of irregularities in the award of such contracts (Engelbert, Reit & Westen, 2012). In the public sector, procurement is used as a business tool by the government to improve the participation of disadvantaged groups such as Women and the Youths. The realization of such objectives; coupled with the need to get the best value for public funds requires effective and efficient procurement processes.

Recent research by Barsemoi, Mwangagi and Asienyo (2014) points out that the use of the internet and IT infrastructure has had a revolutionary effect on the execution of the procurement function including raising the levels of integrity in the process. Application of IT in the procurement process is singled out as one of the sure ways of reducing information asymmetry among suppliers. The authors report that the use of IT in the private sector is one of the factors that have led to transparency in private sector procurement and also improved the competitiveness in the procurement process. In acknowledging this importance, the government has put in place ultimatums for various public procurement entities to automate their procurement processes.

Nasra (2014) also did a study seeking to establish the relationship between procurement performance and operations efficiency in the telecommunication industry in Kenya. The study found that flexibility ensured procurement performance to a great extent. Other factors were found to include; Cost, time, and quality that also played a great role in ensuring procurement performance.

Nzau and Njeru (2014) in their study on the factors affecting procurement performance in public universities and find that procurement planning, staff competency management support on procurement performance in public universities in Nairobi County. They report that 94% of respondents indicated that procurement departments prepared procurement plans. They further report that 79 percent of the respondents were of the view that procurement staff lacked adequate skills in supply chain management. Nevertheless, they report that 76 percent of the respondents acknowledged the efforts of management in providing professional support including training and educational opportunities for procurement staff. Since procurement staffs are involved in the selection and evaluation of suppliers, report by 76% of respondents that procurement staffs have inadequate skills creates suspicion as to the objectivity with which they can undertake supplier selection and evaluation. Nzau and Njeru (2014) recommend that management at public universities enhance training and professional support so as to enhance procurement performance.

RESEARCH METHODOLOGY

This study adopted a quantitative research design. This involved administering questionnaires to the respondents from a well-selected sample. The questionnaires encompassed 4 dimensions and 4 items that were measured using Five-point Likert Scale. The target population for the study was a total of 50 Public Servants and 100 suppliers working in County Government of West Pokot. The sample size for this study was obtained using (Mora & Kloet, 2010) formula for finite population. This study adopted a stratified sampling in which all samples in the same strata were classified in the same category. The sample size was 40 civil servants and 80 suppliers. The study sampled suppliers' and public servants working in different departments who were engaged in supplier selection and contract administration.

This entailed the analysis of data which was analyzed by use of descriptive and quantitative means. The analysis included the descriptive statistics of the sample, correlation between variables and the testing of four hypotheses. Data received was presented in descriptive means, by use of words. These are views provided by respondents on their perceptions about the question. Descriptive statistics was used to analyze data on the supplier practices, and service delivery. These statistics were applied to document characteristics of respondents and service delivery. This included descriptive statistical analysis of variables, inferential statistics which included correlations analysis and regression analysis. The study was guided by the following multiple linear regression model which was fitted on the data

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \mu_i$$

Where; Dependent variable is organizational performance and is denoted by Y. The variables were: Y_1 - Service Delivery, X_1 - Prequalification of Suppliers, X_2 - Procurement Methods, X_3 - Post-qualification, X_4 - Preferential Selection Method, β_0 - Constant term, β_j - Beta coefficients for $j = 1, 2, 3, 4$ which indicate per unit change in the dependent as the independent variable changes by one unit. μ_i - Error term for $i = 1, 2, 3, 4, 5, \dots, n$ Before running the linear multiple regression model, the model was tested for existence of multi-collinearity and heteroskedasticity at 95% confidence interval.

FINDINGS AND DISCUSSIONS

The results of the study are based on 110 responses obtained from the 120 questionnaires distributed which translated to 92% response rate. In this study to ensure the reliability of the instrument Cronbach's Alpha was used. Cronbach Alpha value is widely used to verify the reliability of the construct. Therefore, Cronbach Alpha was used to test the reliability of the proposed constructs. The findings indicated that prequalification of suppliers had a coefficient of 0.747; procurement methods had a coefficient of 0.751, post qualification 0.781 and preferential

selection 0.779. All constructs depicted that the value of Cronbach's Alpha are above the suggested value of 0.5 thus the study was reliable (Nunnally and Bernstein, 1994; Nunnally, 1974).

Table 1: Reliability Analysis

Independent Variables	Cronbach's Alpha	Comments
Prequalification of suppliers	.747	Accepted
Procurement Methods	.751	Accepted
Post Qualification	.781	Accepted
Preferential Selection	.779	Accepted

Prequalification of Suppliers

All respondents agree that the county use prequalification for the purposes of supplier registration and category management. This is in line with PPDA, 2015 which provides that suppliers should registered continuously and supplies category for goods, works and services be done during procurement planning.

Procurement Methods

From the study, 16.67% of the respondent indicated that open national tender, 34.17% request for quotation was to very large extent procurement method used in the county, 9.17% indicated that request for proposal was moderately used in the county, 20.83% indicated that restricted tendering being used at small extent and e-procurement method not being used at all as represented at 0%.

Post Qualification

From the study 12.72% of the respondent indicated that market survey was used by the County Government of West Pokot. Another 37.5% of them indicated that due diligence was undertaken by the County Government before awarding tenders to suppliers. Only 16.7% of the respondents were of the opinion that the County Government made site visits to prospective suppliers before tender award.

Preferential Selection of Suppliers

Majority of the respondents indicated that consideration for preferential selection was to small and very small extents; 62% youths, 64% for women and 92% for persons living with disability. Treasury circular of August, 2014 on reservation of 30% of procurement opportunities for youths, women and persons living with disability as a tool for economic empowerment is still in force, it has been further anchored in the PPDA, 2015. The results indicate that the county has

not implemented the policy as required, however for the youths and women it the county was trying at 33% and 27% respectively implying that the categories were being considered.

Principles used in Supplier Selection

From the results 37.5% of the respondents indicated that value for money is the core principle to be considered in supplier selection practice, 25% fairness, 20.83% transparency and 16.7% to consider completion in supplier selection.

INFERENTIAL ANALYSIS

On the relationship between supplier selection and service delivery, the study found that 40% of respondents reveal that indicate that supplier selection practice influence quality of service, while 30% indicate that it affect cost and 25% influencing delivery of service.

Table 2: Regression Model Summary

Model	R	R Square	Adjusted R Square	Standard Error of Estimate
1	.72	.654	.559	2.665

From the Regression model summary, there exists a strong positive relationship between service delivery and supply selection practices at the County Government of West Pokot as shown by a correlation coefficient of 0.72. The findings further reveal that 65.4% of service delivery at the County Government of West Pokot could be explained by supplier selection practices ranging from prequalification of suppliers, procurement methods adopted, post qualification of suppliers and preferential selection of suppliers.

Table 3: Analysis of Variance in Regression Model

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	11.745	9	1.307	2.122	0.040
Residual	40.185	65	0.616		
Total	51.93	74			

The results are significant at 4 % (P =0.04) as shown in table. This implies that there is a very strong relationship between supplier selection practices and service delivery. Hence, from these results it can be concluded that the model is good and can be used for the estimation of procurement performance. The study used ANOVA to establish the significance of the regression model from which an f significance value of p=0.040 was established. This shows that the regression model has a 0.04 (4%) likelihood or probability of giving a wrong prediction. This therefore means that the regression model has a confidence level of over 95% hence high reliability of the results as indicated in the table.

Table 4: Supplier Selection Coefficients

Model	Unstandardized coefficients		Standardized coefficients	T	sig.
	B	Std Error	Beta		
(Constant)	1.371	0.717		1.911	0.06
Prequalification	0.734	0.24	0.042	0.306	0.001
Procurement Methods	0.832	0.199	0.056	0.417	0.028
Post Qualification	0.591	0.23	0.422	2.524	0.027
Preferential Selection	0.710	0.145	0.111	0.423	0.095

Using the unstandardized coefficients the following equation applies:

$$Y = 1.371 + 0.734X_1 + 0.832X_2 + 0.591X_3 + 0.710X_4$$

These findings show that service delivery at the County Government of West Pokot performance will be having an in index of 1.371 when all the independent variables are held constant. The test of hypotheses revealed that the relationship between the service delivery and the study variables (prequalification, procurement methods, post qualification and preferential selection) is positive and statistically significant hence rejection of all the null hypotheses. The significance tests for the overall model; Using p-value, the regression model is significant since $0.040 < 0.05$. Pearson correlation matrix was used to check on the existence of a strong correlation between the predictor variables. Predictor variables are said to be related to each other if the correlation coefficient between them is greater than 0.05.

CONCLUSIONS

The study concludes that West Pokot County uses a given set of procurement principles in its supplier selection process. This is true from the number of respondents who said the county uses a code of principles. The study also concludes that supplier selection practices is the most important criteria during supplier selection as it greatly impacts on the overall resource allocation given the fact that procurement uses a great margin of the county’s financial resources with priority on cost performance being high.

The study also established that the selection process is not a one man show but an all-inclusive exercise which involves different staff of all cadre and relevant user departments. This is because procurement is by extension the department that meets the needs of other users and thus it is advisable to incorporate the real ‘buyers’ during selection to clearly identify the need that has to be met. This was clearly indicated by majority of the respondents who agreed that selection process is done by managers of all user departments.

The study further concludes that there was a positive and significant relationship between supplier selection process and service delivery as the Significance levels of independent

variables occurred at p-values less than 0.05. In addition, the element of ethics during supplier selection helps to cut down corruption and ensure equality as entrenched in the constitution and Public Procurement and Assets Disposal Act, 2015, ensures competition and also enhances transparency as indicated by majority of respondents. Procurement performance metrics of quality, delivery and cost are the elements to which service delivery in terms of improved healthcare services, education access, livestock and crop production, conducive business environment, revenue generation, water provision, and infrastructural developments are enhanced as selection practices helps to improve procurement performance and translates to enhanced service delivery by registering low no. of product defects, satisfaction with supplier products; Low rate of rework and recall, low percentage of litigation costs, products and services exceed expectation, procurement completed within timelines, reduced logistical and failure costs.

RECOMMENDATIONS

This study recommends that there is need to invest in various supplier selection strategies. This should be done in a manner in which all the stakeholders are happy. The County needs to pay closer attention to technological capacity of suppliers as a selection criterion which registered the lowest mean compared to other selection criteria. The role of technology in improvement of procurement performance cannot be denied. Some of the benefits accrued from technology is the availability of real time information which has helped in improving procurement performance by providing real time information and reducing lead time.

The organizational profile of the supplier is also another criterion that should be considered. This implies that establishing companies with reputation to guard against briefcase companies which lead to non-delivery or non-performance. It also informs the County of the risks involved for instance in case of suppliers with great geographical distances thus reduce transportation risks and improve lead times.

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